

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 07156 01 OF 02 111011Z

ACTION IO-13

INFO OCT-01 EA-07 ISO-00 AID-05 AF-10 ARA-06 EUR-12

NEA-10 EB-07 TRSE-00 L-03 CIAE-00 INR-07 NSAE-00

/081 W

-----111047Z 009180 /11

R 110826Z MAY 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9572

INFO USMISSION USUN NEW YORK

USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 1 OF 2 MANILA 7156

E.O. 11652: N/A

TAGS: EIAD, UNDP, RP

SUBJECT: 24TH UNDP GOVERNING COUNCIL:

UNDP REPORT ON ITS FUTURE ROLE

REF: A. STATE 86320, B. STATE 98488

1. SUMMARY. UNDP RESREP IN MANILA BELIEVES THAT A THOROUGH-GOING OVERHAUL OF THE UN DEVELOPMENT STRUCTURE IS REQUIRED, BUT DID NOT APPEAR TO BE OPTIMISTIC THAT THIS WILL TAKE PLACE. HE BELIEVES THAT ALL SENIOR ASSISTANTS IN THE UNDP HEAD-QUARTERS SHOULD BE REPLACED. HE IS A STRONG PROPONENT OF CENTRAL UNDP FUNDING AND BELIEVES THAT GREATER CONTROL OF FUNDS IS THE ONLY SOLUTION TO HIS STEADILY WORSENING PROBLEM OF COORDINATION. IN OUR OPINION, UNDP DOES NOT PRESENTLY PLAY A CENTRAL ROLE IN PHILIPPINE DEVELOPMENT, AND IF SUCH A ROLE IS TO BE POSSIBLE, ONLY FAIRLY PROFOUND ORGANIZATIONAL CHANGES CAN BRING IT ABOUT. END SUMMARY.

2. EMBASSY AND USAID OFFICERS DISCUSSED FUTURE UNDP ROLE WITH DONAL BERGSTROM, UNDP MANILA RESREP. BERGSTROM IS RESPONSIBLE FOR ACTIVITIES OF ABOUT 300 STAFF, INCLUDING

LIMITED OFFICIAL USE

PAGE 02 MANILA 07156 01 OF 02 111011Z

ABOUT 90 CORE UNDP STAFF. ABOUT 20 TO 25 PERCENT ARE EXPATRIATES. HE HAS BUDGET OF ABOUT \$8 TO \$9 MILLION, NOT INCLUDING CENTRALLY-FUNDED ITEMS OR CONTRIBUTION FOR STAFF AND HOUSEKEEPING FROM GOP, WHICH BERGSTROM VALUES AT ABOUT \$500,000. BERGSTROM HAS BEEN IN MANILA FOR FOUR YEARS.

3. BERGSTROM POINTED OUT THAT UNDP REFORM HAD BEEN DISCUSSED FREQUENTLY IN THE PAST. HE THOUGHT THAT A SERIES OF REFORMS RECOMMENDED BY THE "GROUP OF 25" A FEW YEARS AGO HAD MERIT; HE MENTIONED SPECIFICALLY A PROPOSAL TO PLACE A DEPUTY FOR DEVELOPMENT UNDER THE SECRETARY GENERAL. IN HIS OPINION, THE WHOLE UN SYSTEM HAD LANGUISHED, DUE IN NO SMALL DEGREE TO INATTENTION TO THE UN BY THE PREVIOUS US ADMINISTRATION, AND HE WAS NOT AT ALL SURE THAT LOST GROUND COULD BE MADE UP. HE THOUGHT THAT A TOTAL OVERHAUL OF THE STRUCTURE IS REQUIRED, THOUGH HE WAS NOT VERY SPECIFIC IN THIS RESPECT. HE PLACED CONSIDERABLE IMPORTANCE ON BRINGING IN A NEW TEAM OF SENIOR OFFICERS, TO GIVE SOUND GUIDANCE TO THE NEW ADMINISTRATION, NOT ONLY AT THE DEPUTY ADMINISTRATOR LEVEL, WHICH IS NOW UNDER WAY, BUT ALSO DOWN THROUGH THE ASSISTANT ADMINISTRATOR LEVEL.

4. BERGSTROM HAD THE FOLLOWING COMMENTS ON SPECIFIC

ISSUES:

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 MANILA 07156 02 OF 02 111044Z  
ACTION IO-13

INFO OCT-01 EA-07 ISO-00 AID-05 AF-10 ARA-06 EUR-12  
NEA-10 EB-07 TRSE-00 L-03 CIAE-00 INR-07 NSAE-00  
/081 W

-----111047Z 009970 /10

R 110826Z MAY 77  
FM AMEMBASSY MANILA  
TO SECSTATE WASHDC 9573  
INFO USMISSION USUN NEW YORK  
USMISSION GENEVA

LIMITED OFFICIAL USE SECTION 2 OF 2 MANILA 7156

A) EVALUATION AND FEEDBACK: AFTER A BRIEF AND DESULTORY DEFENSE OF THE PRESENT SYSTEM, BERGSTROM AGREED THAT MISTAKES TEND TO BE REPEATED. HE OFFERED NO SOLUTION TO THE SITUATION.

B) COORDINATION: WITH THE UNDP FINANCIAL CRISIS AND GREATER DECENTRALIZATION OF OTHER UN PROGRAMS, THIS

PROBLEM HAS GROWN IN RECENT YEARS. BERGSTROM SAW AS THE ONLY VIABLE SOLUTION A RETURN TO UNDP CENTRAL FUNDING: "POWER GROWS OUT OF THE PURSE."

C) FUTURE ROLES OF UNDP: BERGSTROM SAID THAT HE ALREADY TRYING TO PROVIDE COORDINATION AND ASSESSMENT OF OVERALL PHILIPPINE DEVELOPMENT NEEDS; HE DID NOT SEEM TO SEE THIS AS A SIGNIFICANT ISSUE.

D) INCREASED RESOURCES: THERE APPEARS TO BE LITTLE PROGRESS IN ATTRACTING SIGNIFICANT FUNDING FROM OPEC COUNTRIES. PRESENT CONTRIBUTIONS BY THE PHILIPPINE GOVERNMENT ARE GENEROUS; UNDP SHOULD NOT EXPECT ADDITIONAL COST-SHARING FROM THIS SOURCE. BERGSTROM NOTED WITH IRRITATION THAT THE UNDP CONTINUES TO ACCEPT CONTRIBUTIONS IN NON-CONVERTIBLE CURRENCIES FROM THE SOCIALIST COUNTRIES.

E) GENERAL FUND: BERGSTROM BELIEVES STRONGLY THAT THERE SHOULD CONTINUE TO BE A SINGLE GENERAL UNDP FUND, AND THAT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 07156 02 OF 02 111044Z

IT SHOULD BE STRENGTHENED.

F) COUNTRY FOCUS: IN BERGSTROM'S OPINION, THE LEAST DEVELOPED COUNTRIES ALREADY RECEIVE AN INORDINATE AMOUNT OF THE UNDP'S ATTENTION AND RESOURCES, MUCH MORE THAN THEY CAN ABSORB. THE MORE ADVANCED LDCS HAVE A GREATER CAPACITY TO UTILIZE THE ASSISTANCE AND SHOULD RECEIVE IT. HE DID NOT FAVOR COST REIMBURSEMENT PRINCIPLE, HOWEVER.

5. COMMENT: ON THE WHOLE, BERGSTROM COMES ACROSS AS DISCOURAGED ABOUT THE CURRENT SITUATION AND RATHER PESSIMISTIC ABOUT THE PROSPECTS FOR CHANGE. FROM OUR OWN PERSPECTIVE, WE DO NOT SEE UNDP PRESENTLY PLAYING A CENTRAL ROLE IN PHILIPPINE DEVELOPMENT, IN TERMS OF EITHER COORDINATION OR PLANNING. THIS DOES NOT SEEM TO BE CAUSE FOR DISMAY EITHER IN THE GOP OR IN THE DEVELOPMENT COMMUNITY AT LARGE, AND THIS MAY BE SEEN AS A GUIDE TO THE SORT OF CHANGES WHICH ARE CALLED FOR. IF THE UNDP IS TO RECOVER ITS FORMER DRIVE AND CARVE OUT A NEW ROLE AT THE CENTER OF DEVELOPMENT ACTIVITY, PROFOUND CHANGES IN POLICY AND ORGANIZATION SEEM TO BE REQUIRED. END COMMENT.

STULL

LIMITED OFFICIAL USE

NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FUND ALLOTMENT, INTERNATIONAL ORGANIZATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 11-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977MANILA07156  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770165-0833  
**Format:** TEL  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770571/aaaacitq.tel  
**Line Count:** 161  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 0fbcba96-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION IO  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 STATE 86320, 77 STATE 98488  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 23-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2570686  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 24TH UNDP GOVERNING COUNCIL: UNDP REPORT ON ITS FUTURE ROLE  
**TAGS:** EAID, RP, UNDP  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/0fbcba96-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009